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101st Congress, 1st Session - - - - - - - - - - - House Document 101-1

MESSAGE OF THE PRESIDENT

MESSAGE

FROM

THE PRESIDENT OF THE UNITED STATES

TRANSMITTING

HIS ADDRESS TO THE JOINT SESSION OF CONGRESS,
FEBRUARY 9, 1989

FEBRUARY 9, 1989.—Message referred to the Committee of the Whole House on the State of the Union and ordered to be printed

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U.S. GOVERNMENT PRINTING OFFICE

29-012 WASHINGTON : 1989

H920-3

To the Congress of the United States:

Less than 3 weeks ago, I joined you on the West Front of this very building and—looking over the monuments to our proud past—offered you my hand in filling the next page of American history with a story of extended prosperity and continued peace. Tonight, I am back, to offer you my plans as well. The hand remains extended, the sleeves are rolled up, America is waiting, and now we must produce.

Together, we can build a better America.

It is comforting to return to this historic chamber. Here, 22 years ago, I first raised my hand to be sworn into public life. So tonight, I feel as if I am returning home to friends. And I intend, in the months and years to come, to give you what friends deserve: frankness, respect, and my best judgment about ways to improve America's future.

In return, I ask for an honest commitment to our common mission of progress. If we seize the opportunities on the road before us, there will be praise enough for all.

The people did not send us here to bicker. It's time to govern.

Many Presidents have come to this chamber in times of great crisis. War. Depression. Loss of national spirit.

Eight years ago, I sat in the President of the Senate's chair as President Reagan spoke of punishing inflation and devastatingly high interest rates, people out of work, American confidence on the wane.

Our challenge is different.

We are fortunate—a much changed landscape lies before us tonight.

So I do not propose to reverse direction. We are headed the right way.

But we cannot rest. We are a people whose energy and drive have fueled our rise to greatness. We are a forward-looking nation—generous, yes, but ambitious as well—not for ourselves, but for the world.

Complacency is not in our character—not before, not now, not ever.

So tonight, we must take a strong America—and make it even better.

We must address some very real problems. We must establish some very clear priorities. And we must make a very substantial cut in the Federal budget deficit.

Some people find that agenda impossible.

But I am presenting to you tonight a realistic plan for tackling it. My plan has four broad features: attention to urgent priorities, investment in the future, an attack on the deficit, and *no new taxes.*

This budget represents my best judgment of how we can address our priorities, consistent with the people's view. There are many areas in which we would all like to spend more than I propose, but we cannot until we get our fiscal house in order.

Next year alone, thanks to economic growth, without any change in the law the Federal Government will take in over $80 billion more than it does this year. That is right—over $80 billion in new revenues, with no increase in taxes. Our job is to allocate those new resources wisely.

We can afford to increase spending—by a modest amount, but enough to invest in key priorities and still cut the deficit by almost 40 percent in 1 year.

That will allow us to meet the targets set forth in the Gramm-Rudman-Hollings law.

But to do that, we must recognize that growth above inflation in Federal programs is not preordained, that not all spending initiatives were designed to be immortal.

I make this pledge tonight: My team and I are ready to work with the Congress, to form a special leadership group, to negotiate in good faith, to work day and night—if that is what it takes—to meet the budget targets, and to produce a budget on time.

We cannot settle for business as usual.

Government by continuing resolution—or government by crisis—will not do.

I ask the Congress tonight to approve several measures which will make budgeting more sensible. We could save time and improve efficiency by enacting 2-year budgets.

Forty-three Governors have the line-item veto. Presidents should have it, too.

At the very least, when a President proposes to rescind Federal spending, the Congress should be required to vote on that proposal—instead of killing it by inaction.

And I ask for Congress to honor the public's wishes by passing a constitutional amendment to require a balanced budget. Such an amendment, once phased in, will discipline both Congress and the Executive branch.

Several principles describe the kind of America I hope to build with your help in the years ahead.

We will not have the luxury of taking the easy, spendthrift approach to solving problems—because higher spending and higher taxes put economic growth at risk.

Economic growth provides jobs and hope. Economic growth enables us to pay for social programs. Economic growth enhances the security of the Nation. And low tax rates create economic growth.

I believe in giving Americans greater freedom and greater choice—and I will work for choice for American families, whether in the housing in which they live, the schools to which they send their children, or the child care they select for their young.

I believe that we have an obligation to those in need, but that Government should not be the provider of first resort for things that the private sector can produce better.

I believe in a society that is free from discrimination and bigotry of any kind. I will work to knock down the barriers left by past

discrimination and to build a more tolerant society that will stop such barriers from ever being built again.

I believe that family and faith represent the moral compass of the Nation—and I will work to make them strong, for as Benjamin Franklin said: "If a sparrow cannot fall to the ground without His notice, [can] a great [nation] rise without His aid?"

And I believe in giving people the power to make their own lives better through growth and opportunity. Together, let us put power in the hands of people.

Three weeks ago, we celebrated the Bicentennial Inaugural, the 200th anniversary of the first Presidency.

And if you look back, one thing is so striking about the way the Founding Fathers looked at America. They did not talk about themselves. They talked about posterity. They talked about the future.

We, too, must think in terms bigger than ourselves.

We must take actions today that will ensure a better tomorrow. We must extend American leadership in technology, increase long-term investment, improve our educational system, and boost productivity. These are the keys to building a better future.

Here are some of my recommendations:

I propose almost $2.2 billion for the National Science Foundation to promote basic research;

I propose to make permanent the tax credit for research and development;

I have asked Vice President Quayle to chair a new Task Force on Competitiveness;

I request funding for the National Aeronautics and Space Administration and a strong space program—an increase of almost $2.4 billion over the current fiscal year. We must have a manned space station; a vigorous, safe space shuttle program; and more commercial development in space. The space program should always go "full throttle up"—that is not just our ambition; it is our destiny;

I propose that we cut the maximum tax rate on capital gains to increase long-term investment. History is clear: This will increase revenues, help savings, and create new jobs.

We will not be competitive if we leave whole sectors of America behind. This is the year we should finally enact urban enterprise zones, and bring hope to our inner cities.

But the most important competitiveness program of all is one which improves education in America.

When some of our students actually have trouble locating America on a map of the world, it is time for us to map a new program to education.

We must reward excellence and cut through bureaucracy. We must help those schools that need help most. We must give choice to parents, students, teachers, and principals. And we must hold all concerned accountable. In education, we cannot tolerate mediocrity.

I want to cut the dropout rate, and make America a more literate Nation. Because what it really comes down to is this: The longer our graduation lines are today, the shorter our unemployment lines will be tomorrow.

So tonight I am proposing the following initiatives:

the beginning of a $500 million program to reward America's best schools—"merit schools";

The creation of special presidential awards for the best teachers in every State—because excellence should be rewarded;

The establishment of a new program of National Science Scholars, one each year for every member of the House and Senate, to give this generation of students a special incentive to excel in science and mathematics;

The expanded use of magnet schools which give families and students greater choice;

And a new program to encourage "alternative certification," which will let talented people from all fields teach in the classroom.

I have said I would like to be "the Education President." Tonight, I ask you to join me by becoming "the Education Congress."

Just last week, as I settled into this new office, I received a letter from a mother in Pennsylvania, who had been struck by my message in the Inaugural Address. "Not 12 hours before," she wrote, "my husband and I received word that our son was addicted to cocaine. He had the world at his feet. Bright, gifted, personable, he could have done anything with his life. Now he has chosen cocaine."

"Please," she wrote, "find a way to curb the supply of cocaine. Get tough with the pushers. Our son needs your help."

My friends, that voice crying out for help could be the voice of your own neighbor. Your own friend. Your own son. Over 23 million Americans used illegal drugs last year—at a staggering cost to our Nation's well-being.

Let this be recorded as the time when America rose up and said "no" to drugs. The scourge of drugs must be stopped.

I am asking tonight for an increase of almost a billion dollars in budget outlays to escalate the war against drugs. The war will be waged on all fronts.

Our new "drug czar," Bill Bennett, and I will be shoulder-to-shoulder, leading the charge.

Some money will be used to expand treatment to the poor, and to young mothers. This will offer the helping hand to the many innocent victims of drugs—like the thousands of babies born addicted, or with AIDS, because of the mother's addiction.

Some will be used to cut the waiting time for treatment.

Some money will be devoted to those urban schools where the emergency is now the worst. And much of it will be used to protect our borders, with help from the Coast Guard, the Customs Service, the Departments of State and Justice, and yes, the U.S. military.

I mean to get tough on the drug criminals. Let me be clear: This President will back up those who put their lives on the line every day—our local police officers.

My budget asks for beefed-up prosecution, for a new attack on organized crime, and for enforcement of tough sentences—and for the worst kingpins, that means the death penalty.

I also want to make sure that when a drug dealer is convicted, there is a cell waiting for him. He should not go free because prisons are too full.

Let the word go out: If you are caught and convicted, you will do time.

But for all we do in law enforcement, in interdiction and treatment, we will never win this war on drugs unless we stop demand for drugs.

So some of this increase will be used to educate the young about the dangers of drugs. We must involve parents. We must involve teachers. We must involve communities. And my friends, we must involve ourselves.

One problem related to drug use demands our urgent attention and our continuing compassion. That is the terrible tragedy of AIDS.

I am asking for $1.6 billion for education to prevent the disease—and for research to find a cure.

If we are to protect our future, we need a new attitude about the environment.

We must protect the air we breathe.

I will send to you shortly legislation for a new, more effective Clean Air Act. It will include a plan to reduce, by date certain, the emissions that cause acid rain—because the time for study alone has passed, and the time for action is now.

We must make use of clear coal. My budget contains full funding, on schedule, for the clean coal technology agreement we have made with Canada. We intend to honor that agreement.

We must not neglect our parks. So I am asking to fund new acquisitions under the land and water conservation fund.

We must protect our oceans. I support new penalties against those who would dump medical waste and other trash in the oceans. The age of the needle on the beach must end.

In some cases, the gulfs and oceans off our shores hold the promise of oil and gas reserves that can make our Nation more secure and less dependent on foreign oil. When those with the most promise can be tapped safely, as with much of the Alaska National Wildlife Refuge, we should proceed. But we must use caution, and we must respect the environment.

So tonight I am calling for the indefinite postponement of three lease sales that have raised troubling questions—two off the coast of California and one that could threaten the Everglades in Florida.

Action on these three lease sales will await the conclusions of a special task force set up to measure the potential for environmental damage.

I am directing the Attorney General and the Administrator of the Environmental Protection Agency to use every tool at their disposal to speed and toughen the enforcement of our laws against toxic-waste dumpers. I want faster cleanups and tougher enforcement of penalties against polluters.

In addition to caring for our future, we must care for those around us. A decent society shows compassion for the young, the elderly, the vulnerable, and the poor.

Our first obligation is to the most vulnerable—infants, poor mothers, children living in poverty—and my proposed budget recognizes this. I ask for full funding of Medicaid—an increase of over $3 billion—and an expansion of the program to include coverage of pregnant women who are near the poverty line.

I believe we should help working families cope with the burden of child care.

Our help should be aimed at those who need it most—low-income families with young children. I support a new child care tax credit that will aim our efforts at exactly those families—without discriminating against mothers who choose to stay at home.

Now, I know there are competing proposals. But remember this: The overwhelming majority of all preschool child care is now provided by relatives and neighbors, churches and community groups. Families who choose these options should remain eligible for help. Parents should have choice.

And for those children who are unwanted or abused, or whose parents are deceased, we should encourage adoption. I propose to reenact the tax deduction for adoption expenses and to double it to $3,000. Let us make it easier for those kids who have parents who love them.

We have a moral contract with our senior citizens. In this budget, Social Security is fully funded, including a full cost-of-living adjustment. We must honor our contract.

We must care about those in "the shadows of life," and I, like many Americans, am deeply troubled by the plight of the homeless. The causes of homelessness are many, the history is long, but the moral imperative to act is clear.

Thanks to the deep well of generosity in this great land, many organizations already contribute. But we in government cannot stand on the sidelines. In my budget, I ask for greater support for emergency food and shelter, for health services and measures to prevent substance abuse, and for clinics for the mentally ill—and I propose a new initiative involving the full range of Government agencies. We must confront this national shame.

There is another issue I decided to mention here tonight. I have long believed that the people of Puerto Rico should have the right to determine their own political future. Personally, I favor statehood. But I ask the Congress to take the necessary steps to let the people decide in a referendum.

Certain problems, the result of decades of unwise practices, threaten the health and security of our people. Left unattended, they will only get worse—but we can act now to put them behind us.

Earlier this week, I announced my support for a plan to restore the financial and moral integrity of our savings system. I ask the Congress to enact our reform proposals within 45 days. We must not let this situation fester.

Certainly, the savings of Americans must remain secure—insured depositors will continue to be fully protected. But any plan to refinance the system must be accompanied by major reform. Our proposals will prevent such a crisis from recurring. The best answer is to make sure that a mess like this will never happen again.

The majority of thrifts in communities across this Nation have been honest; they have played a major role in helping families achieve the American dream of home ownership. But make no mistake: Those who are corrupt, those who break the law, must be kicked out of the business; and they should go to jail.

We face a massive task in cleaning up the waste left from decades of environmental neglect at America's nuclear weapons plants.

Clearly, we must modernize these plants and operate them safely. That is not at issue—our national security depends on it.

But beyond that, we must clean up the old mess that has been left behind—and I propose in this budget to more than double our current effort to do so. This will allow us to identify the exact nature of the various problems so we can clean them up—and clean them up we will.

We have been fortunate during these past 8 years. America is a stronger nation today than it was in 1980.

Morale in our Armed Forces is restored. Our resolve has been shown. Our readiness has been improved. And we are at peace.

There can no longer be any doubt that peace has been made more secure through strength. When America is stronger, the world is safer.

Most people do not realize that, after the successful restoration of our strength, the Pentagon budget has actually been reduced in real terms for each of the last 4 years. We cannot tolerate further reductions.

In light of the compelling need to reduce the deficit, however, I support a 1-year freeze in the military budget—something I proposed last fall in my flexible freeze plan.

This freeze will apply for only 1 year—after that increases above inflation will be required. I will not sacrifice American preparedness; and I will not compromise American strength.

I should be clear on the conditions attached to my recommendation for the coming year:

the savings must be allocated to those priorities for investing in our future that I have spoken about tonight;

this defense freeze must be part of a comprehensive budget agreement that meets the targets spelled out in the Gramm-Rudman-Hollings law without raising taxes and that incorporates reforms in the budget process.

I have directed the National Security Council to review our national security and defense policies and report back to me within 90 days to ensure that our capabilities and resources meet our commitments and strategies.

I am also charging the Department of Defense with the task of developing a plan to improve the defense procurement process and management of the Pentagon—one that will implement fully the Packard Commission report. Many of the changes can only be made with the participation of the Congress—so I ask for your help.

We need fewer regulations. We need less bureaucracy. We need multi-year procurement and 2-year budgeting. And frankly, we need less congressional micromanagement of our Nation's military policy.

Securing a more peaceful world is perhaps the most important priority I would like to address tonight.

We meet at a time of extraordinary hope. Never before in this century have our values of freedom, democracy, and economic opportunity been such a powerful political and intellectual force around the globe.

Never before has our leadership been so crucial, because while America has its eyes on the future, the world has its eyes on America.

It is a time of great change in the world—and especially in the Soviet Union. Prudence and common sense dictate that we try to understand the full meaning of the change going on there, review our policies carefully, and proceed with caution. But I have personally assured General Secretary Gorbachev that at the conclusion of such a review we will be ready to move forward. We will not miss any opportunity to work for peace.

The fundamental fact remains that the Soviets retain a very powerful military machine in the service of objectives which are still too often in conflict with ours. So let us take the new openness seriously. Let us step forward to negotiate. But let us also be realistic. And let us always be strong.

There are some pressing issues we must address:

I will pursue vigorously the Strategic Defense Initiative.

The spread and even use of sophisticated weaponry threatens global stability as never before.

Chemical weapons must be banned from the face of the earth, never to be used again. This won't be easy. Verification will be difficult. But civilization and human decency demand that we try.

And the spread of nuclear weapons must be stopped. I will work to strengthen the hand of the International Atomic Energy Agency. Our diplomacy must work every day against the proliferation of nuclear weapons.

And, around the globe, we must continue to be freedom's best friend.

We must stand firm for self-determination and democracy in Central America—including in Nicaragua.

For when people are given the chance, they inevitably will choose a free press, freedom of worship; and certifiably free and fair elections.

We must strengthen the alliance of industrial democracies—as solid a force for peace as the world has ever known. This is an alliance forged by the power of our ideals, not the pettiness of our differences. So let us lift our sights—to rise above fighting about beef hormones to building a better future to move from protectionism to progress.

I have asked the Secretary of State to visit Europe next week and to consult with them on the wide range of challenges and opportunities we face together—including East-West relations. And I look forward to meeting with our NATO partners in the near future.

I, too, shall begin a trip shortly—to the far reaches of the Pacific Basin, where the winds of democracy are creating new hope, and the power of free markets is unleashing a new force.

When I served as our representative in China just 14 years ago, few would have predicted the scope of the changes we've witnessed since then.

But in preparing for this trip, I was struck by something I came across from a Chinese writer, Lin Yutang. He was speaking of his country, decades ago—but his words speak to each of us, in America, tonight.

"Today," he said, "we are afraid of the simple words like goodness and mercy and kindness."

My friends, if we are to succeed as a nation, we must rediscover those words.

In just 3 days, we mark the birthday of Abraham Lincoln—the man who saved our Union and gave new meaning to the word opportunity. Lincoln once said:

> I hold that while man exists, it is his duty to improve not only his own condition, but to assist in ameliorating [that of] mankind.

It is this broader mission to which I call all Americans. Because the definition of a successful life must include serving others.

To the young people of America, who sometimes feel left out—I ask you tonight to give us the benefit of your talent and energy through a new program called YES, for Youth Entering Service to America.

To those men and women in business—remember the ultimate end of your work: to make a better product, to create better lives. I ask you to plan for the longer term and avoid the temptation of quick and easy paper profits.

To the brave men and women who wear the uniform of the United States of America—thank you. Your calling is a high one—to be the defenders of freedom and the guarantors of liberty. And I want you to know that the Nation is grateful for your service.

To the farmers of America, we appreciate the bounty you provide. We will work with you to open foreign markets to American agricultural products.

To the parents of America, I ask you to get involved in your children's schooling. Check on their homework. Go to the school, meet the teachers, care about what is happening there. It is not only your children's future on the line, it is America's.

To kids in our cities—don't give up hope. Say no to drugs. Stay in school. And yes, "keep hope alive."

To those 37 million Americans with some form of disability—you belong in the economic mainstream. We need your talents in America's work force. Disabled Americans must become full partners in America's opportunity society.

To the families of America watching tonight in your living rooms, hold fast to your dreams, because ultimately America's future rests in your hands.

And to my friends in this chamber, I ask for your cooperation to keep America growing while cutting the deficit. That is only fair to those who now have no vote—the generations to come.

Let them look back and say that we had the foresight to understand that a time of peace and prosperity is not a time to rest, but a time to push forward. A time to invest in the future.

And let all Americans remember that no problem of human making is too great to be overcome by human ingenuity, human energy, and the untiring hope of the human spirit. I believe this. I would not have asked to be your President if I did not.

Tomorrow, the debate on the plan I have put forward begins. I ask the Congress to come forward with its proposals. Let us not question each other's motives. Let us debate. Let us negotiate. But let us solve the problems.

Recalling anniversaries may not be my specialty in speeches, but tonight is one of some note. On February 9, 1941, just 48 years ago tonight, Sir Winston Churchill took to the airwaves during Britain's hour of peril.

He had received from President Roosevelt a hand-carried letter quoting Longfellow's famous poem: "Sail on, oh Ship of State. Sail on, oh union, strong and great! Humanity with all its fears, with all the hopes of future years; Is hanging breathless on thy fate!"

Churchill responded on this night by radio broadcast to a nation at war, but he directed his words to Roosevelt. "We shall not fail or falter," he said. "We shall not weaken or tire. Give us the tools, and we will finish the job."

Tonight, almost a half century later, our peril may be less immediate, but the need for perseverance and clear-sighted fortitude is just as great.

Now, as then, there are those who say it cannot be done. There are voices who say that America's best days have past. That we are bound by constraints, threatened by problems, surrounded by troubles which limit our ability to hope.

Well, tonight I remain full of hope. We Americans have only begun on our mission of goodness and greatness. And to those timid souls, I repeat the plea—give us the tools; and we will do the job.

Thank you, and God bless you.

GEORGE BUSH.

THE WHITE HOUSE, *February 9, 1989.*

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